



Ninety-Seventh Legislature - First Session - 2001
Introducer's Statement of Intent
LB 41

Chairperson: Senator Curt Bromm
Committee: Transportation and Telecommunications
Date of Hearing: January 30, 2001

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB41 would allow public power districts and other public owners of fiber optic cable to lease any excess fiber optic capacity they may have to *certificated telecommunications common carriers*, or *permitted telecommunication contract carriers* including telephone companies, some cable companies, and others.

Lessees must be chosen on a nondiscriminatory, competitively neutral basis, such as an auction or a closed bidding procedure. The procedures are to be designed to encourage competition. If certificated or permitted carriers are not interested in leasing the excess capacity, the excess capacity remains with the owner. The lease itself can be set for no more than five years. A competitive bidding process must again be used to relet a lease.

A lessee must use or activate at least a portion of the excess fiber optic capacity during the first six months. In order to encourage maximum use of a scarce resource, lessees must try to sublet unused fiber optic capacity. The subletting process must also be non-discriminatory and competitively neutral. Sub-lessees must have the same certificates or permits as lessees.

The goal of LB41 is to get public assets into public use.

Principal Introducer: _____
Senator David M. Landis